

Moore&VanAllen

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April 16, 2013

VIA ELECTRONIC FILING

Ms. Jocelyn G. Boyd
Chief Clerk and Administrator
The Public Service Commission of South Carolina
Synergy Business Park
101 Executive Center Drive
Columbia, South Carolina 29210

Re: GCRM-136, Docket No. 2006-401-G

Dear Ms. Boyd:

On behalf of Piedmont Natural Gas Company, Inc. ("Piedmont"), I have enclosed various schedules constituting Piedmont's GCRM-136.

The rate changes reflected in this filing, as shown on the attached schedules, are necessary to update Piedmont's rates to reflect changes in Piedmont's wholesale costs of gas. Wholesale futures contract prices for natural gas deliveries, as reflected on the New York Mercantile Exchange, are currently at levels above the \$3.00 commodity cost of gas reflected in Piedmont's rates.

Based on the differential between Piedmont's existing benchmark cost of gas and the futures wholesale price, as well as the current balance in its deferred gas cost account, Piedmont is at risk of under-collecting its wholesale gas costs in the near future if the benchmark cost of gas reflected in its rates is not increased to \$4.50 per dekatherm as proposed herein. The relief requested herein will avoid such under-collection and will also ensure that the wholesale gas costs reflected in Piedmont's rates are reasonably consistent with the prevailing market price for natural gas, thereby avoiding the creation of artificial market signals/incentives to parties who utilize this commodity for fuel or process purposes. The rate changes proposed herein are an increase of \$0.15265/therm for sales rate schedules (201, 202, 221, 232, 242, 252, 262, 203 and 204) and an increase of \$0.00265/therm for transportation rate schedules (213 and 214).

Piedmont hereby requests approval of this GCRM filing in time to implement these rate changes effective with the first billing cycle in May, 2013.

Charlotte, NC
Research Triangle Park, NC
Charleston, SC

Ms. Jocelyn G. Boyd
April 16, 2013
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If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

Moore & Van Allen, PLLC

s/ Scott M. Tyler
Scott M. Tyler

Enclosures

c: Mr. David Carpenter
Ms. Pia Powers
Mr. Jim Jeffries
Office of Regulatory Staff (via email and overnight delivery)

STATE OF NORTH CAROLINA

VERIFICATION

COUNTY OF MECKLENBURG

Pia Powers, being duly sworn, deposes and says that she is Manager – Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing Petition and knows the contents thereof; that the same are true of her own knowledge except as to those matters stated on information and belief and as to those she believes them to be true.

Pia Powers

Pia Powers

Mecklenburg County, North Carolina

Signed and sworn to before me this day by Pia Powers.

Date: April 15, 2013

Sandra K. Hammond

Sandra K. Hammond, Notary Public

(Official Seal)

My commission expires: August 4, 2013



SCHEDULE A

Piedmont Natural Gas Company, Inc.
Purchase Gas Adjustment effective May 2013
GCRM -136

South Carolina Rate Schedules:		Current February 2013 <u>Billing Rates</u>	Commodity <u>Change</u>	Proposed May 2013 <u>Billing Rates</u>
201	Residential Service - Value			
	Monthly Charge-winter	10.00		10.00
	Monthly Charge-summer	8.00		8.00
	Winter (Nov.-Mar.)	0.73322	0.15265	0.88587
	Summer (Apr.-Oct.)	0.68915	0.15265	0.84180
221	Residential Service - Standard			
	Monthly Charge-winter	10.00		10.00
	Monthly Charge-summer	8.00		8.00
	Winter (Nov.-Mar.)	0.90095	0.15265	1.05360
	Summer (Apr.-Oct.)	0.89832	0.15265	1.05097
205	Outdoor Gas Light Service			
	Monthly Charge	15.00		15.00
202	Small General Service-Standard			
	Monthly Charge	22.00		22.00
	Winter (Nov.-Mar.)	0.81513	0.15265	0.96778
	Summer (Apr.-Oct.)	0.78346	0.15265	0.93611
232	Small General Service-Value			
	Monthly Charge	22.00		22.00
	Winter (Nov.-Mar.)			
	First 2,000	0.76385	0.15265	0.91650
	Over 2,000	0.73876	0.15265	0.89141
	Summer (Apr.-Oct.)			
	First 2,000	0.68142	0.15265	0.83407
	Over 2,000	0.65840	0.15265	0.81105
252	Medium General Service-Standard			
	Monthly Charge	75.00		75.00
	Winter (Nov.-Mar.)	0.77857	0.15265	0.93122
	Summer (Apr.-Oct.)	0.74173	0.15265	0.89438
262	Medium General Service-Value			
	Monthly Charge	75.00		75.00
	Winter (Nov.-Mar.)			
	First 5,000	0.72011	0.15265	0.87276
	Over 5,000	0.69130	0.15265	0.84395
	Summer (Apr.-Oct.)			
	First 5,000	0.64042	0.15265	0.79307
	Over 5,000	0.61945	0.15265	0.77210
242	Small General Service-Motor Fuel			
	Monthly Charge	22.00		22.00
	Winter (Nov.-Mar.)	0.71993	0.15265	0.87258
	Summer (Apr.-Oct.)	0.77972	0.15265	0.93237
203	Large General Sales Service			
	Monthly Charge	250.00		250.00
	Billing Demand (therms)	1.79812		1.79812
	Winter (Nov.-Mar.)			
	First 15,000	0.57549	0.15265	0.72814
	Next 15,000	0.50393	0.15265	0.65658
	Next 75,000	0.46844	0.15265	0.62109
	Next 165,000	0.38920	0.15265	0.54185
	Next 330,000	0.33388	0.15265	0.48653
	Over 600,000	0.30531	0.15265	0.45796
	Summer (Apr.-Oct.)			
	First 15,000	0.48237	0.15265	0.63502
	Next 15,000	0.43287	0.15265	0.58552
	Next 75,000	0.43811	0.15265	0.59076
	Next 165,000	0.37063	0.15265	0.52328
	Next 330,000	0.32888	0.15265	0.48153
	Over 600,000	0.30531	0.15265	0.45796

Piedmont Natural Gas Company, Inc.
Purchase Gas Adjustment effective May 2013
GCRM -136

South Carolina Rate Schedules:		Current February 2013 <u>Billing Rates</u>	Commodity Change	Proposed May 2013 <u>Billing Rates</u>
204	Interruptible Sales Service			
	Monthly Charge	250.00		250.00
	Winter (Nov.-Mar.)			
	First 15,000	0.65610	0.15265	0.80875
	Next 15,000	0.57949	0.15265	0.73214
	Next 75,000	0.52299	0.15265	0.67564
	Next 165,000	0.54289	0.15265	0.69554
	Next 330,000	0.43232	0.15265	0.58497
	Over 600,000	0.34531	0.15265	0.49796
	Summer (Apr.-Oct.)			
	First 15,000	0.49817	0.15265	0.65082
	Next 15,000	0.44823	0.15265	0.60088
	Next 75,000	0.42111	0.15265	0.57376
	Next 165,000	0.40355	0.15265	0.55620
	Next 330,000	0.34388	0.15265	0.49653
	Over 600,000	0.31531	0.15265	0.46796
213	Large General Transportation Service			
	Monthly Charge	250.00		250.00
	Standby Demand	1.20161		1.20161
	Billing Demand (therms)	0.59651		0.59651
	Winter (Nov.-Mar.)			
	First 15,000	0.24575	0.00265	0.24840
	Next 15,000	0.17892	0.00265	0.18157
	Next 75,000	0.13245	0.00265	0.13510
	Next 165,000	0.08914	0.00265	0.09179
	Next 330,000	0.03413	0.00265	0.03678
	Over 600,000	0.00531	0.00265	0.00796
	Summer (Apr.-Oct.)			
	First 15,000	0.17466	0.00265	0.17731
	Next 15,000	0.12624	0.00265	0.12889
	Next 75,000	0.10055	0.00265	0.10320
	Next 165,000	0.06735	0.00265	0.07000
	Next 330,000	0.02888	0.00265	0.03153
	Over 600,000	0.00531	0.00265	0.00796
214	Interruptible Transportation Service			
	Monthly Charge	250.00		250.00
	Winter (Nov.-Mar.)			
	First 15,000	0.24534	0.00265	0.24799
	Next 15,000	0.17839	0.00265	0.18104
	Next 75,000	0.12992	0.00265	0.13257
	Next 165,000	0.08174	0.00265	0.08439
	Next 330,000	0.03478	0.00265	0.03743
	Over 600,000	0.00531	0.00265	0.00796
	Summer (Apr.-Oct.)			
	First 15,000	0.17426	0.00265	0.17691
	Next 15,000	0.12510	0.00265	0.12775
	Next 75,000	0.09469	0.00265	0.09734
	Next 165,000	0.06416	0.00265	0.06681
	Next 330,000	0.04921	0.00265	0.05186
	Over 600,000	0.00531	0.00265	0.00796

SCHEDULE B

Piedmont Natural Gas Company, Inc.
South Carolina
Commodity Cost of Gas Calculation
GCRM - 136

	<u>Annualized Throughput (DT) per Docket 2012-7-G Settlement Approved on 10/3/2012</u>	<u>Proposed Increase (Decrease) Commodity Rate per (DT)</u>	<u>Total</u>
Sales	12,770,285	\$ 1.50	\$ 19,155,428
Transportation	5,786,409		
Total Throughput	18,556,694		
LAUF %	1.77%		
Company Use & Lost And Unacct For	328,453	\$ 1.50	\$ 492,680
Total Throughput			18,556,694
Calculated Rate - LAUF			0.0265
Sales Commodity Rate Adjustment per DT			\$ 1.52650
Sales Commodity Rate Adjustment per Therm			\$ 0.15265
Transportation Commodity Rate Adjustment per DT			\$ 0.02650
Transportation Commodity Rate Adjustment per Therm			\$ 0.00265
Current Benchmark			\$ 3.00
Proposed Benchmark			\$ 4.50

RATES AND CHARGES

SOUTH CAROLINA RATES AND CHARGES

Residential

Residential Service - Value Rate 201

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 0.88587
April - October	\$ 8.00	April - October	\$ 0.84180

Residential Service - Standard Rate 221

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 1.05360
April - October	\$ 8.00	April - October	\$ 1.05097

Outdoor Gaslight Service - Rate 205

Monthly Charge	\$ 15.00
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Issued by Thomas E. Skains, Chairman, President and CEO
Issued to comply with the authority granted by
The Public Service Commission of South Carolina
Docket No. 2006-401-G, GCRM - 136

Issued: April 16, 2013
Effective: May 2013

SOUTH CAROLINA RATES AND CHARGES

Commercial

Small General Service - Standard Rate 202

Monthly Charge	\$ 22.00	Rate Per Therm	
		November - March	\$ 0.96778
		April - October	\$ 0.93611

Small General Service - Value Rate 232

Monthly Charge	\$ 22.00	Rate Per Therm		
		November - March	First 2,000	\$ 0.91650
			Over 2,000	\$ 0.89141
		April - October	First 2,000	\$ 0.83407
			Over 2,000	\$ 0.81105

Medium General Service - Standard Rate 252

Monthly Charge	\$ 75.00	Rate Per Therm	
		November - March	\$ 0.93122
		April - October	\$ 0.89438

Medium General Service - Value Rate 262

Monthly Charge	\$ 75.00	Rate Per Therm		
		November - March	First 5,000	\$ 0.87276
			Over 5,000	\$ 0.84395
		April - October	First 5,000	\$ 0.79307
			Over 5,000	\$ 0.77210

Small General Service - Motor Fuel Rate 242

Monthly Charge *	\$ 22.00	Rate Per Therm		Rate Per GGE **
		November - March	\$ 0.87258	1.09945 **
		April - October	\$ 0.93237	1.17479 **

* The Monthly Charge for Rate 242 is not applicable to gas service provided at the Company's Premises.

** The Company may bill in units of Gasoline Gallon Equivalent ("GGE") for gas service provided at the Company's Premises under Rate 242. The rates above convert 1.26 Therms to 1 GGE.

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SOUTH CAROLINA RATES AND CHARGES

IndustrialLarge General Sales Service - Rate 203

Monthly Charge			\$	250.00
Demand Charge (monthly per peak day therm usage)			\$	1.79812
Rate Per Therm				
	<u>November - March</u>		<u>April - October</u>	
First 15,000	\$	0.72814	First 15,000	\$ 0.83502
Next 15,000	\$	0.85858	Next 15,000	\$ 0.58552
Next 75,000	\$	0.82109	Next 75,000	\$ 0.59076
Next 165,000	\$	0.54185	Next 165,000	\$ 0.52328
Next 330,000	\$	0.48653	Next 330,000	\$ 0.48153
Over 600,000	\$	0.45796	Over 600,000	\$ 0.45796

Interruptible Sales Service - Rate 204

Monthly Charge			\$	250.00
Rate Per Therm				
	<u>November - March</u>		<u>April - October</u>	
First 15,000	\$	0.80875	First 15,000	\$ 0.65082
Next 15,000	\$	0.73214	Next 15,000	\$ 0.60088
Next 75,000	\$	0.67564	Next 75,000	\$ 0.57376
Next 165,000	\$	0.69554	Next 165,000	\$ 0.55620
Next 330,000	\$	0.58497	Next 330,000	\$ 0.49653
Over 600,000	\$	0.49796	Over 600,000	\$ 0.46796

Large General Transportation Service - Rate 213

Monthly Charge			\$	250.00
Demand Charge (monthly per peak day therm usage)			\$	0.59651
Standby Sales Service Charge (monthly per peak day therm usage)			\$	1.20161
Rate Per Therm				
	<u>November - March</u>		<u>April - October</u>	
First 15,000	\$	0.24840	First 15,000	\$ 0.17731
Next 15,000	\$	0.18157	Next 15,000	\$ 0.12889
Next 75,000	\$	0.13510	Next 75,000	\$ 0.10320
Next 165,000	\$	0.09179	Next 165,000	\$ 0.07000
Next 330,000	\$	0.03678	Next 330,000	\$ 0.03153
Over 600,000	\$	0.00796	Over 600,000	\$ 0.00796

Interruptible Transportation Service - Rate 214

Monthly Charge				\$	250.00
Rate Per Therm					
	<u>November - March</u>			<u>April - October</u>	
First 15,000	\$	0.24799		First 15,000	\$ 0.17691
Next 15,000	\$	0.18104		Next 15,000	\$ 0.12775
Next 75,000	\$	0.13257		Next 75,000	\$ 0.09734
Next 165,000	\$	0.08439		Next 165,000	\$ 0.06681
Next 330,000	\$	0.03743		Next 330,000	\$ 0.05186
Over 600,000	\$	0.00796		Over 600,000	\$ 0.00796

SOUTH CAROLINA RATES AND CHARGES

Miscellaneous Fees And Charges

Schedule For Limiting And Curtailing Service - Rate 206

Emergency Service Rate Per Therm	\$ 1.00	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.
Unauthorized Over Run Penalty Per Therm	\$ 2.50	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.

Reconnect Fees

February Through August	\$ 40.00
September Through January	\$ 60.00

Returned Check Charge

Returned Check Charge	\$ 25.00
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Governmental Taxes and Fees

Customers shall also pay all applicable taxes, fees and assessments levied by governmental authorities having jurisdiction.

Issued by Thomas E. Skains, Chairman, President and CEO
Issued to comply with the authority granted by
The Public Service Commission of South Carolina
Docket No. 2006-401-G, GCRM - 136

Issued: April 16, 2013
Effective: May 2013

CERTIFICATE OF SERVICE

The undersigned hereby certifies that copies of the attached documents are being served this date via email and UPS Overnight (1 copy) upon:

John W. Flitter
Florence P. Belser
Nanette Edwards
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
jflitter@regstaff.sc.gov
fbelser@regstaff.sc.gov
nsedwar@regstaff.sc.gov

And that copies of the attached documents are being served this date via email and U.S. Mail upon:

David Carpenter
Vice President – Planning and Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
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Pia Powers
Manager, Regulatory Affairs
Piedmont Natural Gas Company, Inc.
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pia.powers@piedmontng.com

This the 16th day of April, 2013.

s/ Scott M. Tyler
Scott M. Tyler